



TESTIMONY BEFORE THE APPROPRIATIONS COMMITTEE
KILEY GOSSELIN, EXECUTIVE DIRECTOR
PARTNERSHIP FOR STRONG COMMUNITIES
FEBRUARY 27, 2023

H.B. 6659 – AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2025

Senator Osten, Representative Walker, Senator Hartley, Representative Exum, Representative Paris, Senator Berthel, Representative Nuccio, and distinguished members of the Appropriations Committee, my name is Kiley Gosselin, and I am the Executive Director at the Partnership for Strong Communities (PSC). PSC leads advocacy, advances original research, and brings together the coalitions needed to drive systemic change towards our shared vision that everyone in Connecticut has a safe, stable home, that is affordable to them, in an equitable community of their choice. PSC serves as the backbone organization supporting the HOMEConnecticut Campaign which works to ensure everyone in Connecticut has access to safe, stable, affordable housing in the community of their choice. The Campaign is led by a broad-based Coordinating Committee to identify and implement data-driven policy solutions and prepare consensus legislative agendas.

We respectfully request that the committee support the following proposals and expansions in addition to the Governor's proposed budget for the Department of Housing (DOH):

An additional investment of \$72 million in both FY24 & 25 to the DOH Housing/Homeless Services line to expand the general Rental Assistance Program (RAP) and an addition of \$5 million to the DOH Housing/Homeless Services line for housing navigation services to assist voucher recipients with finding homes.

Connecticut housing costs have long been unaffordable to a large portion of the population, with costs continuing to rise for both renter and owner households. In 2022, the average cost of purchasing a home increased 14%, while the cost of renting increased over 15%. Housing cost-burden disproportionately impacts communities of color, with 56% of black renters identifying as housing cost-burdened while only making up 12% of CT's population.

According to the National Low Income Housing Coalition's (NLIHC) most recent [Out of Reach report](#), the Fair Market Rent (FMR) for a two-bedroom apartment is \$1,446. For a household to afford rent and utilities at this level without paying more than 30% of their income on housing, a household must earn \$4,818/month or \$57,820/year. The report indicates that approximately 30% of renter households are below 30% of the Area Median Income (AMI) and 49% of renter households in the state are below 50% AMI in CT (approximately \$63,000 annually for a family of four). The need for rental assistance is becoming more and more of an imperative for a growing number of Connecticut's renters as household budgets are being constrained for many individuals and families.



RAP vouchers are a vital tool to improve housing security and assist severely cost-burdened renters struggling with the state's high housing costs. For every \$10 million invested, the RAP program supports approximately 665 households in finding affordable housing. The program currently serves approximately 5,600 households with a closed waitlist of more than 3,400. That waitlist has not been reopened in many years. It is important to remember that like Connecticut's federal Section 8 allocation, our RAP funding is a pool of funds – not a set number of vouchers. Thus, with rents continuing to rise across the state, the allocation for RAP, set in 2014, serves fewer and fewer households each year.

RAP vouchers are the most flexible tool we have to house low-income households. Unlike brick and mortar affordable housing properties, a tenant can take a RAP voucher anywhere in Connecticut that is best for them to rent – near family or work for example. This can ease other costs for a family like transportation and childcare. All homes where a voucher is used must also go through an inspection to ensure basic health and safety standards are met. A smaller percentage of RAP vouchers are also used to help finance affordable housing projects. Often they can help make a home that is set for a household at say, 80% of AMI, affordable for a household at a lower income level. Additionally, RAP vouchers insulate households from fluctuations in income. A RAP voucher pays the difference between 30-40% of the household income and the fair market rent for the rental area. Thus, as household income goes up, the voucher pays less of rental costs. If household income goes down, the family goes through an income recertification process and the voucher pays more. This flexibility was most helpful during the recent covid-19 pandemic. Where lower-wage workers lost income, their voucher ensured that their housing remained stable – avoiding a situation where they built up arrearages. The UniteCT program did not need to include voucher holders for this reason.

The UniteCT rental relief program also revealed just how many households in Connecticut are eligible for a RAP voucher but don't have one. Those low-income households unsupported by a housing subsidy, had few options when they lost income during the pandemic. UniteCT was oversubscribed and helped thousands of families pay arrearages – most of them were eligible for a RAP voucher but none had one. Those households continue to struggle today amid rents that have risen more than 20% in the last two years. Many of these households are paying more than 50% of their income on rent – leaving little reserves left over for other necessities and putting them at great risk of eviction and homelessness. For these families, many of whom are on subsidy waiting lists, a voucher means they would remain stably housed (perhaps in the home they currently occupy) – protecting their health and safety and increasing their ability to pay for other necessary expenses or save funds.

Given the increasingly tight rental market and lack of sufficient housing supply, it is no surprise that tenants who receive a voucher have had a difficult time finding a home over the past couple of years, however additional RAP funds are a much-needed investment that will not go to waste and can also be used in units tenants already occupy. Connecticut's rental vacancy rate was at 2% during the third quarter of 2022. When a family has the devastating experience of not being able to find an eligible home once they receive a voucher after years of waiting, those funds are not wasted but do go to the next household on the wait list. Thus, RAP funds invested by the state do not go unused. Furthermore, adding \$5 million over the biennium to provide housing navigation and mobility services would go a long way in helping families find a suitable home. Currently, limited resources for this purpose mean most families are left to find a home on their own. In this difficult marketplace and often with limited time and transportation, leaving low-income households to navigate on their own is often setting them up for failure. This additional small investment would reduce the likelihood that a family loses the opportunity to find housing stability through a RAP voucher.

More details and information on this proposal can be accessed [here](#).

To ensure everyone in Connecticut has a safe affordable home, housing vouchers should ideally be available to every household that needs one. Not only would this increase housing stability, it would create rental income stability for property owners and could be the key to finally ending homelessness here. Connecticut, however, is falling farther and farther behind on that goal every year we choose not to increase our RAP allocation. We know that housing vouchers are a proven effective, equitable way to ensure households in need remain stably housed. Further, they provide a wide range of positive social and market-based impacts.

In expanding funding for the program, research indicates the benefits to households can include:

- A reduction in housing instability and homelessness
- A reduction in poverty and allowing households to afford other necessities
- A reduction in racial disparities
- Improvement in health, development and educational outcomes for children, and
- Improvement in the quality of existing naturally occurring affordable housing (NOAH) stock in the state through required inspections

For additional information on the intent, need for and impact of the Rental Assistance Program, you can access a policy brief [here](#).

In addition, we encourage the Committee to support dedicating annual funding to the Department of Housing's (DOH) Housing/Homeless Services line item at:

- **\$5.95 million for Coordinated Access Network (CAN) infrastructure**, to ensure that the indispensable emergency services we provide are available to all.
- **\$5 million for the annual Cold Weather Emergency Response Program.**
- **\$2 million for a Flexible Funding Subsidy Pool** to subsidize housing and provide flexible assistance, which have been shown to lower costs to the health care system and lead to improved individual health outcomes.

As more households navigate an expensive market and increased likelihood of facing housing instability, the need to support our statewide homeless response system with additional funding becomes more important as well. With homelessness and CAN appointments increasing since 2019, inflation that has not kept pace with household earnings and the highest number of eviction filings in CT since 2017, supporting the system intended to help keep people safe and connect them to further opportunities for stability is needed. Our CAN network and coordinated approach to assessing and assisting people at risk of and experiencing homelessness has been chronically underfunded. Currently, CANs are dependent on DOH using its allocation of the state's fluctuating CIA funds to support this necessary system.

Efforts to ensure that funding is prioritized for those on the verge of or presently experiencing literal homelessness will help keep CT residents off the streets and should be aimed at reducing and alleviating the inequities perpetuated by the systemic racism embedded into the foundations of housing insecurity as we see it today. These investments are necessary for Connecticut to support in the coming years to address the rising housing insecurity and inequity that continues to burden residents and families in our state. Thank you for your time and consideration regarding these crucial investments to create safety and stability for CT households.

Sincerely,





Kiley Gosselin

